COTTON CHATS

FROM

DRAPER COMPANY

SHIPMAN'S
COMMON-SENSE BINDER

PATENTED

JANUARY 19, 1892. APRIL 19, 1904

To open binder, remove the slides from fasteners raise the fasteners to an erect position and then file papers. For punching: lay the papers on covers and mark sheets to correspond with fasteners.

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ASA L. SHIPMAN'S SONS
MANUFACTURERS,
NEW YORK.

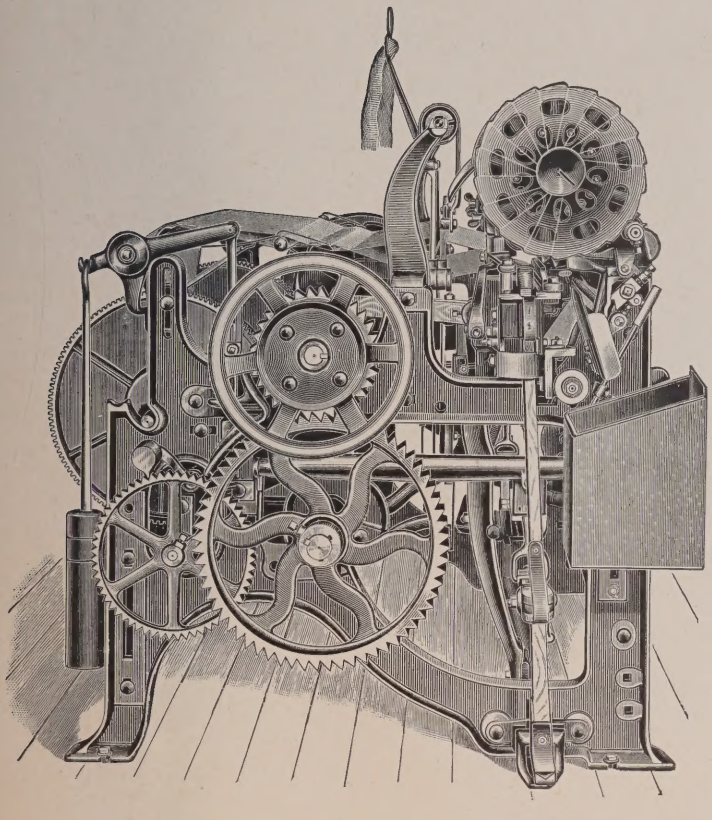
COTTON CHATS

By the Secretary of the

DRAPER COMPANY,

HOPEDALE, MASS.

No. 28. JUNE, 1904.



OUR ORIGINAL NORTHROP LOOM AS BUILT IN 1894.

FALLACIES IN FIGURES.

Mr. W. L. Uttley, an English visitor to this country, has written an article for the Manchester Guardian, which has been copied by American trade papers. We should have replied to the same before, had we not been delayed by the necessity for personal investigation of many of the details.

Mr. Uttley evidently set out to prove that the Northrop loom was more or less of a delusion, and with this thought in view has reasoned out several ingenious comparisons. We first note that he remarks that he was able to see the Northrop looms in their first home; that is, he was seeing the original Northrop loom which was built in 1894, just ten

years ago. He is, therefore, making his comparison on our original machine, without giving us the benefit of the improvements developed since that period. So far as the influence on a customer is concerned, the comparison should be made with our present product, as no one is now obliged to purchase the loom which we first put out. Mr. Uttley makes his comparison with an unknown Fall River mill, where the looms were said to be running at 210 to 220 picks. This speed is certainly above the American standard, and if we are to compare the loom we made ten years ago with the common loom, we could reasonably insist on a comparison with the common looms as they were run ten years ago in this country, the standard speed at that time being about 195 picks.

We fear that Mr. Uttley's investigations at the mill which furnishes him his basis for comparison were not sufficiently exhaustive, for while the cuts of cloth were 56 yards long, he has given the weaving price which is officially based on a cut of 47 yards. Mills that weave their cloth longer than official length are required to pay proportionately for the increase, and the cost of weaving these cuts was probably nearly 20 per cent. greater than Mr. Uttley has figured. The cost of fixing these looms also figured very low, for the average fixer certainly does not tend the number of common looms mentioned at the wages named.

Mr. Uttley also shows that apart from the weaving wages, higher prices are paid at the Northrop loom mill for other work than at Fall River, which he proceeds to add in for his comparison. Customs vary in different localities as to wages paid for similar work, and we could easily bring up mills in other localities with a less labor cost for these outside duties. Mr. Uttley also in his comparison adds in items of interest and depreciation, which seem fair at first notice, as he also takes off interest and depreciation on the common loom as well. This system of figuring, however, always shows worse for the higher priced machine, and when it is remembered that he has 13 per cent. of interest and depreciation added onto the Northrop loom cost of production each year, and also that it is 13 per cent. of the **original** cost, we can understand why his comparison looks so peculiar. Let any cotton mill or other manufacturing establishment figure off 13 per cent. interest and depreciation on the first cost of their machinery each year, and they would have a hard time paying dividends, to say nothing of keeping their capital stock unimpared. Of course the ordinary depreciation starts with a percentage of

the original cost and continues with a less valuation to figure on. Thirteen per cent. off on one hundred dollars' value leaves but eighty-seven dollars for the next year as a base. It will only take five years to cut the thirteen dollar reduction in two.

It is all very well to figure on the possible running out of patents and new improvements coming in to prove that a machine will be worthless by this system of depreciation, within a short period of years, when, as a matter of fact, it may be perfectly good for continued use and practically as efficient as the latest thing on the market, at the time when the figures have proved an utter absence of utility. It must be remembered that a mill equipped with a profit saving machine can sell its goods at a price that will drive a less fortunate mill into bankruptcy. The machine which produces at a loss compared with another machine, after taking into consideration all the facts of interest and depreciation, has no value for use whatever—simply a value as junk. Instead of therefore figuring depreciation on the common looms at a moderate estimate per year, the entire value above the junk price should be wiped out. Some people make their figures on the supposition that after patents are run out, the Northrop looms can be purchased at the same price as the common loom. If we could find any builders that could make these looms for us at common loom prices, we would be very glad to turn our business over to them. The Northrop loom is an expensive machine, expensively constructed, and will never be sold at anywhere near a common loom price so long as present prices of iron, steel, and labor continue. Mr. Uttley pays no attention to the great saving in having one-half the number of weavers to supervise, pay off, and find tenements for. There may be corporations which make an actual profit out of building and renting tenements for help, but our experience in this line would seem to prove that such an investment was avoided wherever possible.

Mr. Uttley also fails to take into consideration a most important factor, namely: that the Northrop loom has not yet been given a fair chance to prove its merit, by reason of the conservatism of mill managers, and the time necessary in adjusting labor conditions. We know perfectly well that weavers can tend more Northrop looms than they do, with less labor than they would give to common looms; also that fixers can easily take care of more looms after they have had the same training and experience with the new devices which the common loom has already given them.

We intend to produce looms that shall actually require less fixing than the common loom.

We shall undoubtedly continue improving our product, and these improvements, which will continually lessen the price of production, will naturally be applicable to the looms of our make already in use, and not be so applicable to common looms of other manufacture.

It is, of course, embarrassing to reply to a statement based on figures from one definitely named mill in comparison with another whose identity is not disclosed, as it debars us from the investigation that might determine possible mistakes and possible misinformation. The native love for a joke may have caused certain parties to give Mr. Uttley a too glowing account of common loom conditions. The gathering of statistical information by foreigners is always attended by such liability. It would be much more satisfactory to all concerned if some American expert, no matter how unfriendly to our loom, should furnish the details in such an argument, affording us an opportunity to check up possible errors.

If we take Mr. Uttley's showing at its worst, we still have sufficient profit above all possible contingencies to warrant a purchaser in choosing the Northrop loom over the common; for any profit that is figured after making all possible allowances, is just so much clear gain. It really is not fair to compare the cost in one mill in one locality with another mill several hundred miles away. The best possible comparison is that of Northrop looms and common looms run in the same mill under the same conditions. As we can prove by our order books, the mills which have tried this experiment have almost universally gone on adding to their Northrop loom equipment. Figures are very convenient for proving predetermined results. It reminds us of a remark made at a recent meeting of the New England Cotton Manufacturers' Association, by a prominent speaker, to the effect that there were three kinds of lie: the lie, the damn lie, and statistics.

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